Point Foundation 1990 Provisional Income Statement

Year ended December 31, 1990

Revenue and Related Direct Expenses:	Revenue	Related Direct Expenses	Net Revenue Contributing to G&A Expenses[2]
Whole Earth Review	$595,962	$498,806	$97,156
Book production, sales and royalties	105,700	78,830	26,870
Chronicle column	28,050	27,143	907
Whole Earth Institute (WEI)	147,132	111,543	35,589
Public support (other than WEI)	22,402	0	22,402
Mailing list	24,851	3,164	21,687
Hackers 6.0	15,575	15,000	575
Other	10,901	0	10,901
Total	$950,573	$734,486	$216,087

What the Numbers Mean To Us

It's good news. In 1988, we lost roughly $100,000, and in 1989, about $50,000. In 1990, we broke even on operations (see note 3 below for details). The trend is your friend! Given how grim things looked at midsummer, we're delighted! Every member of the staff contributed to our success, making lots of individual small and not-so-small improvements. We grew by about 1,700 subscribers during the year. We sold more back issues, Unclassified ads, and books, especially the Ecolog. *We even sold an old typesetting machine. The holiday gift campaign went very well, for which we thank those of you who are subscribers (or are clever enough to have generous friends who are). Staff members kept a close eye on costs, shortening their hours, meeting budget on key editorial costs, and really pitching in to become more efficient. At the same time, we invested in designing our future, as described in the Point Foundation Report (see p. 137).*

General and Administrative (G&A) Expenses:	Amount
Salaries and related expenses	$96,257
Rent, maintenance, repairs and rentals	46,410
Depreciation and amortization	16,200
Telephone and utilities	10,028
Office expense: supplies and postage	18,787
Taxes, insurance, fees and other	14,177
Total G&A expenses	$201,859
Excess of revenues over expenses	**$14,228[3]**

Notes on the numbers

1. *These numbers differ in format and validity from those you've seen in the past. While incomplete, they do reflect adjustments not shown to you in past years (by the time we knew them, ten months had passed). The* WER *revenue number (our biggest) is based on the copies of* WER *we actually delivered, not on the cash received, in 1990. Depreciation and other year-end adjustments are also reflected. (To see the impact of such adjustments, look at issue 66, page 144. The Point Financial Report shows a profit for 1989 of $37,000; the correct number, after adjustments, was about a $50,000* loss.*)*

2. *The apparent profit ("net revenue contributing to G&A expenses") in each area of activity is misleading if you stop there. The total net revenues have to cover the overhead ("general and administrative expenses") of running the organization.*

3. *Although it looks like we made $14,000, not all of our revenues are available for operations. A one-time $17,000 profit, which resulted from fundraising, is set aside in the Whole Earth Institute; this is the actual WEI profit after related "G&A Expenses" are deducted. So, on ongoing operations, we ran $3,000 in the red.—KT*

This financial report is designed for management purposes. Additional year-end adjustments may be necessary, and disclosures required by generally accepted accounting principles have not been made. Accordingly, this financial information should not be relied upon by those not informed about Point Foundation's financial position.

What this standard disclaimer means is that this is not an audited financial statement; it was prepared primarily for our own use. We include it, however, to give our readers a timely idea of our activities, volume and general trends.

—Chris Goodson

POINT FOUNDATION REPORT: 1990

Part I

IN-HOUSE

OBJECTIVE: SUSTAINABILITY

Nineteen-ninety was a year of deciding to change and starting to do so. The Point staff and board concluded that we needed to build toward a sustainable future as an organization. We tire of repeated boom and bust; you tire of hearing us plead poverty; we owe it to ourselves, and to you, to shape up. By hiring our first executive director, we put concerns of overview and coordination, which had always been back-burnered, squarely on someone's front burner:

- *Who are we?/what are we evolving toward? and*
- *Do we have a good set of systems, a sound "organizational ecology," to ensure that we get there?*

Who are we?/What are we evolving toward?

We realized we needed to change. Change what? (Twenty years embeds a lot of habits.) Everything — what we do, how we do it, who does what, our goals — was opened to review. We posed the question: what are we here to do? The answer seemed to split into content (our mission), and style (how we do what we do). In terms of mission, the 1990s apple didn't fall far from the 1960s tree; there's more emphasis on community and putting people together now, but the same self-education/shaping-one's-own-environment principles of the original Catalogs still rule.

More important to our renewal than any change of mission is our examination of how we act, especially with our readers. The old sacred hows remain sacred: seeking to act with honesty and openness; inviting interaction, critical and otherwise; experimenting, testing new ground, pulling back if need be; making adjustments, ever changing.

But there is a whole other level of style questions. With a goal of financial self-sufficiency, what is and is not acceptable to do? Should we accept advertising? Should we do aggressive direct-mail campaigns? Should we make financial arrangements we don't tell you about? Making money is often a matter of making compromises. Which actions compromise us, and which don't?

We discuss specific issues at length. We want to take the right steps to become financially robust without compromising our integrity. Howard's wisdom on this: "It's our job to agonize over these things; it's also our job to decide at some point, and to deal with the consequences as best we can."•

• For these and other ponderations, stay tuned for issue 72, in which we'll try to describe the decisions we face in creating *Whole Earth Review* and trying to break out of what's lately been chronic poverty-driven thinking.

Internal environmental restoration: investing in a sound organizational ecology

Stalwarts remained, but 1990 saw a lot of staff turnover. The editor/editorial assistant/production manager team was entirely different in September from that in August. By the fall, we had new people in accounting, circulation, fulfillment and data entry. In the midst of that flux, with cash in its summer drought, and with a major event (Cyberthon) coming to a boil, we sought to begin strengthening our organization.

Communicating. Coordinating. Clarifying responsibilities. Setting priorities. Those overworked organizational tenets came alive in terms of concrete individuals and concrete decisions. It was amazing how often the left hand didn't know what the right hand was doing. Who talked to whom about what? With lots of new people, minimal orientation and no regular meetings, just sharing information presented a challenge.

We focused on decision-making. For years a lot of decisions had been "kicked upstairs, and there's no one upstairs." Who was to make which ones? Who was to be consulted? Where were we consensual, where hierarchical? To make decisions, what information was needed? What was available? Not much. We needed to invest time in creating and understanding reports in accounting, control and circulation. Part of becoming fiscally sound was to give financial information visibility and weight in decisions. Eventually, we took a stab at planning and budgeting, which can't happen until people know their responsibilities and systems are in place to process and spit out numbers.

We set priorities: the magazine comes first. Book publishing will be a regular and integral part of our operation, a second line of business. Projects, ever exciting and ever a risk to the magazine's financial health, have to meet new criteria

until further notice: they have to break even; they have to be central to where we're going if we do them; if they're not, we'll still play but will structure the projects outside Point.

Along the way, we made moves to increase revenues: raising the newsstand, institutional and subscription renewal prices of WER*; promoting back issues and Unclassifieds more vocally; recruiting* pro bono *help to increase the sales volume of* WER*; reusing the Environmental Restoration issue (#66, spring 1990) to make a book. These all have long feedback times, but we hope to see benefits from them soon.*

Part 2
OUT-HOUSE

Here's what we think we did in 1990 to play our particular part in making the world a better place. The items are categorized, a bit arbitrarily, in terms of Point's three-part mission.

to point people at information and ideas

Of 1990's four issues of WER*, "Access to Japan" (HLR, editor) probably broke the most new ground in terms of content, helping us expand toward the "whole" in Whole Earth. The Environmental Restoration issue (RN) was certainly the most "earth"y in a while, and proved to be a good collection for restoration workers. The Biosphere-cover issue (KK) beat our media colleagues to the punch (many readers phoned up saying, "Yeah, hi, I'm in Arizona. How do I find that place?"). The Volunteers-in-Earthquakes issue (KK) reached new audiences for us, as fire and police departments and volunteer organizations all over the U.S., even in faultless communities, asked permission to make thousands of copies of the lead articles by Stewart Brand and Mark Rennecker.* The Whole Earth Ecolog *(JB, editor) appeared in October. Rather than teaching theory, the* Ecolog *focuses on real people who have achieved real results, treating the subject in our typical whole-systems way.*

to point people toward other people

At the 24-hour, hands-on Cyberthon, the Whole Earth Institute welcomed 700 people to explore the future of "virtual reality." Hardware hackers, potential users (artists, teachers, performers) and general enthusiasts discussed the questions that must be asked before a powerful new technology is unleashed. It made for a brain-tickling exchange of views, many beginnings, and a great time.

Point Foundation also sponsored the Hackers' Conference 6.0, the latest incarnation of our 1984 experiment, bringing together computer enthusiasts to swap ideas on where electronic society is headed.

to provide people with communication tools and thereby to help build communities

We started Post Host-ies as an experiment in communication among the members of the Point community. Readers of WER *can converse, in groups, by mail. For example, we hope that those involved in environmental restoration will use this tool to share information, strategies and successes. Others who have always been on the receiving end of* WER *may discover that they, too, can be writers (see page 135).*

The WELL (half-owned by Point) ended 1990 with 4,305 subscribers, up 30 percent for the year. The community that congregates there continued to flourish. The Gulf/War conference gave people from all parts of the spectrum a place to get information and share opinions and feelings about the Mideast situation. The WELL also helped to spawn a whole new movement addressing civil liberties and privacy issues.

What next for Point?

Internally, more of the same. We have a lot to learn in making ourselves a sustainable, robust operation. We have to focus on quality in everything we do. Possibly most important is to be able to afford to put more time into what we do, because there's never enough. If you'd consider helping out in this regard, see the message on page 140, in which we importune you for funds.

In terms of impact on the outside world, we need ever to improve Whole Earth Review *and to build our subscriber base. We reach a different audience through books, and want to put tools in the hands of more doers that way. We hold the long-term goal of bringing our 20 years of amassed information to our readers in an easy-to-access way. And we're going to explore the opportunity of a Whole Earth Radio Show, one where listeners write part of the show. Tune in again next time!* —*Kelly Teevan*

Kelly Teevan
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Point Foundation

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Combined Communication Services, Columbia, MO.

GOSSIP

NO, GATE FIVE ROAD has not been transformed into a nest of glassy-eyed techno-optimists. Yes, the last few issues have featured a large number of articles about ways to use computers and communication technologies to leverage political and community-building activities. We will continue to run articles and reviews about bleeding-edge ideas, from artificial life to educational software. But we have no plans to abandon our commitment to environmental restoration, nomadics, community-building. Kathleen O'Neill still keeps our office garden as lovely as possible, given drought conditions. Richard Nilsen still keeps close tabs on environmental issues. I still devote every Sunday to my flowers, my vegetables, my greenhouse. We might have electrons on the brain, but most of us have honest dirt under our fingernails. We haven't abandoned our roots; we're simply extending our antennae.

We get a lot of mail; most of it has been encouraging. Readers, for the most part, like our new look, and like our issues about Japan and Highways of the Mind. Some of our readers feel that inclusion of technology-oriented articles that aren't strictly negative constitutes some kind of betrayal of our ecopolitical ideals. The strongest dissenters are likely to end up in Backscatter. We hope our non-technology-oriented loyalists stick with us; we have plenty of news in store for you, a couple of years ahead of other magazines, as usual.

Having said that, I do want to note that my book, Virtual Reality, *will be published in July by Summit Books. Three years ago, when I started traveling around the world to research the state of the art in this emerging technology, I was a techno-optimist. Now I'm a techno-not-so-sureist. I do know that it is high time for the widest possible population to become informed about the new technologies that are going to change our lives, and to engage in public dialogue about what we do and do not want technologies to do for us and to us.*

Speaking of science fact and science fiction, we made a heinous boo-boo in our last issue when we described Analog Science Fact/Science Fiction *as "regrettably defunct." This magazine, which turned me on to science and science fiction in my youth, is still alive and well. Subscriptions are $34.95 a year in the US and its possessions, $40.50 in all other countries (however, the April issue has a blow-in card offering a special rate of $19.97 for 12 issues/$29.50 for 18 issues). Call 800/333-4561 to subscribe.*

I promise to refrain from publishing photographs of my daughter and/or my new hairdo in Gossip. However, we might just put a few pictures of our mothers in issue #72, which will feature some articles about elders.

—Howard Rheingold